

DIOCESE OF OAKLAND
CATHOLIC YOUTH ORGANIZATION

FINANCIAL ACCOUNTING OF CYO ATHLETIC FUNDS

The following recommendations are for the management of parish CYO athletic funds. A CYO athletic director is, in effect, running a small business. Developing a strong financial system ensures a healthy athletic program. (Wherever applicable, the Oakland Diocese Parish Administrative Handbook (PAH) is cited.)

AUTHORITY

CYO Funds are under the authority and accountability of the Parish or the Parish Catholic School. In parish program, funds may be reported directly to the pastor, the parish finance committee or to a delegate of the pastor. In a school CYO program, funds may be reported to the principal, school board, school board finance committee or to a delegate of the principal.

KEY POSITIONS

The key positions in the management process are: the pastor, principal, athletic director, finance committee, athletic fund treasurer and the CYO board. Minimally, the pastor/principal, athletic director and athletic fund treasurer positions must be in place.

CONTROLS

It is important to have different people in charge of positions within the parish program. This insures a review and approval of payments by more than one person within a parish or school (PAH-A.II.7)

EXAMPLES OF GOOD PROGRAM PRACTICES

- **No one approves or issues payments to themselves.**

For the protection of the individual and the integrity of the program, include someone else, the principal for example, in the approval process.

- **Require two signatures on checks over a specified amount.**

Select an amount that requires two signatures (suggest over \$150.) The person who prepares the checks for signature should be different than the person who signs the checks. By requiring two signatures, there is built in review. The pastor or principal is the suggested second signature. This protects all involved and ensures accuracy by taking the responsibility out of one person's hands. All payments should be made by check with supporting documentation. (PAH-A.III.5)

- **All payments and reimbursements require an invoice or receipt**

The sooner those involved know the reimbursements will not be issued without a receipt, the sooner there will be 100% compliance. However, develop an exception policy that allows for reimbursement without receipt. The exception policy should require the approval of the pastor or principal. Maintaining a file of receipts will assist the development of next years budget. The treasurer is responsible for maintaining a file of all receipts and payment methods. (PAH-A.II.5;PAH-A.III.8)

- **Limit the number of individuals responsible for handling cash**

There may be a large amount of cash. Interview all persons who will handle cash prior to appointing them to a position. Have a second person verify cash counting and sign off on all amounts. Discuss you cash handler selections with the pastor and/or principal before appointment.

- **All deposits require receipts.**

Deposit slips allow reconciliation of the bank statement. If possible, copy all checks to be deposited and attach the copies to a copy of the deposit slip. The treasurer is responsible for all deposit slips and copies of checks. (PAH-A.2.7)

- **Keep petty cash to a minimum.**

Programs need some petty cash for start up funds for concession stand and for entry fee cash boxes. Determine the amount needed for each station and deposit everything else. Require a signed withdrawal slip for petty cash.

- **Notify all vendors, in writing of persons authorized to purchase for program.**

This helps to protect from financial responsibility for unauthorized purchases. Document addressed to individuals outside the parish or school should have pastor or principal approval.

- **The Concession Stand produces a daily activity report.**

Producing a report after each use of the concession stand can narrow down discrepancies and errors to a particular day or shift. Person producing the report should sign it.

- **The treasurer produces a monthly report that is sent to the pastor/principal, finance committee and CYO board.**

Check with the above individuals/committees as to the format and content of the report.

- **The CYO Board is required to produce an annual budget and year-end financial report.**

Each program within a parish is required to produce an annual financial report. Use the financial report as a starting place in the development of the budget.

(Thanks to Clarence Robinson, St. Lawrence O'Toole, for developing these guidelines.)